

News Release



ARIZONA DEPT. OF ENVIRONMENTAL QUALITY
1110 West Washington Street
Phoenix, Arizona 85007
Contact: Cortland Coleman, 602-771-2215
www.azdeq.gov

ARIZONA ATTORNEY GENERAL'S OFFICE
1275 West Washington Street
Phoenix, Arizona 85007
Contact: Andrea Esquer, 602-542-8019
www.azag.gov

FOR IMMEDIATE RELEASE

Lake Powell Developer to Pay \$90,000 for Violating Water Quality Laws

(Phoenix, Ariz. – July 28, 2006) Attorney General Terry Goddard and Arizona Department of Environmental Quality (ADEQ) Director Steve Owens today announced a \$90,000 settlement with Greengarden Development Corporation and its subsidiaries. The settlement resolves a lawsuit charging violations of Arizona water quality laws.

Greengarden is the developer of Lake Powell View Investment Properties, a large residential and commercial development outside Page. The lawsuit filed in Maricopa County Superior Court charged that Greengarden violated Arizona law by failing to secure sewage treatment permits, failing to follow regulations governing sewage collection systems and failing to adhere to drinking water testing requirements.

In April 2004, ADEQ inspectors discovered that Greengarden started building a wastewater treatment plant and drinking water distribution system to serve portions of its Lake Powell View Investment Properties without securing the appropriate permits. Additionally, the company was operating an additional wastewater treatment plant without the required permit from ADEQ.

"Safe water is fundamentally important to every community and is a necessary component of a strong and stable economy," Goddard said. "Violations of our water quality laws pose direct threats to the health of Arizona citizens and will not be tolerated."

"These are serious water quality violations," Owens said. "GDC's failure to monitor water quality and inform the public and ADEQ of the results, and its failure to obtain the proper permit, were unacceptable. The substantial penalty reflects the serious nature of the violations."

The settlement agreement requires Greengarden to close its wastewater treatment plant, construct new sewer lines to divert wastewater from the Greengarden community to the City of Page wastewater treatment plant within two years, and pay \$90,000 in civil penalties.

The settlement is subject to Court approval. Greengarden must submit payment to the State within 30 days of the judgment's effective date.

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